

The Board of Directors
(or other appropriate body engaging the auditors)
1100 Constant Hope Avenue
Kingston 100

Any month 15, 2006

Ladies and Gentlemen:

The purpose of this letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services that we will provide. Our engagement will be conducted in accordance with International Standard on Related Services 4400, “*Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*” and we will indicate so in our report.

We have agreed to perform the procedures set out in the attached program of **Agreed-Upon Procedures For Testing Compliance By Public Bodies With Government Of Jamaica Procurement Guidelines** and report to you the factual findings resulting from our work:

Our work will cover the xx-month period from ____ to _____. Our testing will cover the systems, if any, in place for assuring compliance with Government of Jamaica Procurement Guidelines, as well as procurements completed and or in progress. The number of procurements to be reviewed will be determined on the basis of our professional judgement after discussion with you.

In order for us to complete our work effectively and efficiently, we must have access to the entity’s personnel and records, as determined by us. In particular, we will _____ (If circumstances require, describe the identity of documents and records to be read, individuals to be contacted and parties from whom confirmations will be obtained.)

The procedures that we will perform are solely to assist you in reporting to the Ministry of Finance and Planning on _____ (public body’s) compliance with Government of Jamaica Procurement Guidelines. Our report is not to be used for any other purpose without our prior written consent. In this connection, it is agreed that a copy of our report will be forwarded to the Ministry of Finance and Planning [*Plus other audit-firm-specific restrictions and disclaimers*].

The procedures that we will perform will not constitute an assurance engagement made in accordance with International Standards on Auditing or International Standards on Review Engagements, and, consequently, no assurance will be expressed on _____(public body’s) compliance with Government of Jamaica Procurement Guidelines.

We look forward to full cooperation with your staff and we trust that they will make available to us whatever records, documentation and other information requested in connection with our engagement.

Our fees, which will be billed as work progresses, are based on the time required by the individuals assigned to the engagement plus out-of-pocket expenses. Individual hourly rates vary according to the degree of responsibility involved and the experience and skill required [*plus any audit-firm-specific elements*]. Where applicable, GCT at the prevailing rate, currently 16.5%, will be added to fees and out-of-pocket expenses.

Please sign and return the attached copy of this letter to indicate that it is in accordance with your understanding of the terms of the engagement, including the specific procedures, which we have agreed will be performed.

XYZ & Co.
Chartered Accountants
Partner

Confirmation

Acknowledged on behalf of Public Body by

.....
Authorised Signature

.....
Name and Title

.....
Date

The auditor may consider it appropriate to include a limitation of liability clause in accordance with his firm's risk management policies.